

Surface Transportation Board, DOT

Pt. 1139, Subpt. B, Sch. A

§ 1139.24 Official notice.

The Board will take official notice of all of the proponent carriers' annual and quarterly reports on file with the Board.

§ 1139.25 Service.

The detailed information called for herein shall be in writing and shall be verified by a person or persons having knowledge thereof. The original and 16 copies of each verified statement for the use of the Board shall be filed with the Secretary, Surface Transportation Board, Washington, DC 20423. One copy of each statement shall be sent first-class mail to each of the regional offices of the Board in the area affected by the proposed increase, where it will be open to public inspection. A copy of each statement shall be mailed by

first-class mail to each party of record in the last formal proceeding concerning a general increase in bus passenger fares in the affected area or territory. Otherwise, the service requirements of § 1130.1 shall be observed.

§ 1139.26 Availability of underlying data.

All underlying data used in preparation of the material outlined above shall be made available in the office of the party serving such verified matter during usual office hours for inspection by any party of record desiring to do so, and shall be made available to the Board upon request therefor. The underlying data shall be made available also at the hearing, but only if, and to the extent, specifically requested in writing and required by any party for the purpose of cross-examination.

SCHEDULE A TO SUBPART B OF PART 1139—CLASS I PARTICIPATING CARRIERS' REVENUE DATA
[Dollars in thousands]

Line No. and carrier annual report No. (a)	Carrier (b)	Study code (c)	Total system operating revenue (d)	Total issue traffic revenue (e)	Percent of carrier's issue traffic revenue to—	
					Total system revenues, col. (e)+col. (d) (2 Dec.) (f)	Total issue traffic revenues (percent dist. of col. (e) (2 Dec.) (g)
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EXPLANATORY—SCHEDULE A

Purpose. The purpose of Schedule A is to corroborate the selection of the "study car-

riers", as defined in § 1139.21 of the prescribed procedures, and to provide a data base for

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49 CFR Ch. X (10-1-07 Edition)

the continuing evaluation of the validity and usefulness of the "study carrier" group.

Calendar Year. For the purpose of this schedule use the latest calendar year available preceding the filing date of the proposed increased fares and/or charges.

Column (a). The annual report number is that number assigned to the carrier by the Surface Transportation Board for identification purposes.

Column (b). List Class I carrier members of national Bus Traffic Association and other interested Class I carriers participating in the tariffs of NBTA which will be affected by

the proposal, in descending order of total system operating revenues.

Column (c). Use the following code for this column. For study carriers (as defined in §1139.21) insert "S". For non-study carriers insert "NS".

Column (d). Use amount shown in carrier's Annual Report, Schedule 2998, Line 9.

Column (e). Issue traffic is defined as that traffic (services) directly affected by the proposed increase in fares and/or charges.

Columns (f) and (g). These columns are self-explanatory and are obtained by calculations using columns (d) and (e).

SCHEDULE B TO SUBPART B OF PART 1139—STUDY CARRIERS' REVENUE DATA

[Dollars in thousands]

Line No. and study carrier (a)	Total operating revenue (b)	Issue traffic (services) revenue		Total issue traffic revenue (d)	Total nonissue traffic revenue (e)	Miscellaneous station and other operating revenues (f)
		(C-1)	(C-2)			
Base year actual: 4-quarter period ending _____						
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Total, all study carriers.						

Pro forma year based on proposed revenues

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[Dollars in thousands]

Line No. and study carrier (a)	Total operating revenue (b)	Issue traffic (services) revenue		Total issue traffic revenue (d)	Total nonissue traffic revenue (e)	Miscellaneous station and other operating revenues (f)
		(C-1)	(C-2)			
20
21
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Total, all study carriers.						

Pro forma year based on current revenues

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Total, all study carriers.						

EXPLANATORY—SCHEDULE B

Purpose. The purpose of this schedule is to obtain—for each study carrier and by totals for all study carriers—(1) total operating revenue, (2) revenues attributable to the various types of traffic at issue, (3) revenue attributable to the total non-issue traffic, and (4) miscellaneous station and other operating revenues. These data shall be provided for the specified study periods, namely: Base year actual, pro forma year based on current revenues, and pro forma year based on proposed revenues.

The pro forma year based on proposed revenues for the traffic at issue will be compared to the issue traffic revenues for the pro forma year based on current revenues and for the base year actual to determine the amount of the proposed revenue increase being sought over these two periods. In addition, the revenue data for the total issue traffic (column (d)), will be used in Schedule C, Part III as a basis for allocating increased costs, i.e., the increased operating expenses and the increased "sum of money" costs.

Base Year Actual. Data to be reported in this and other schedules herein for the base year actual shall be based on the 4-quarter calendar year periods identified below:

FILING MONTH OF VERIFIED STATEMENT

January	Sept. 30, preceding year.
February	Do.
March	Do.
April	Dec. 31, preceding year.
May	Do.
June	Do.
July	Mar. 31, filing-month year.
August	Do.
September ..	Do.
October	June 30, filing-month year.
November ...	Do.
December ...	June 30, filing-month year.

The 4-quarter calendar year periods identified above represent the minimum requirement. However, in event a proposed fare/charge increase is filed at a time when data for a more current quarter than that specified are obtainable then that more current quarter may be used in the base year actual. For example, if an increase is filed in late March and data for the 4th quarter of the

preceding year are obtainable, then the base year actual ending December 31 may be used in lieu of the base year actual ending September 30.

Pro forma year data. Revenue data for the pro forma year shall be reported in two ways, namely: Based on current revenues and based on proposed revenues. Separate schedules are required for each pro forma year. These data do not represent a forecast but reflect the results of 12 months of operation at particular rate levels. Thus, data for the pro forma year based on current revenues should be based on a restatement of the revenue data for the base year actual to reflect fares and/or charges which are currently in effect. Similarly data for the pro forma year based on proposed revenues should reflect a restatement of the base year actual data but at levels reflecting the proposed fares and/or charges.

Column (a). Insert in this column the company name of each "study carrier" as defined in §1139.21 of the prescribed procedures.

Column (b). Use carrier's Annual Report, Schedule 2998, Line 9. The dollar amount in this column, for each study carrier, should equal the total of columns (d), (e), and (f).

Columns (c-1), (c-2), etc. As defined in §1139.21, "issue traffic" means that traffic (service) affected by the proposed increase in fares and/or charges, and is limited to the fares and/or charges published in schedules and tariffs filed with the Surface Transportation Board. For the purpose of the proposed increases filed under the prescribed procedures of this proceeding, column (c) should be subdivided into columns (c-1), (c-2), etc. to show separately the revenue for each type of traffic in issue and each column should be appropriately headed. For instance, a proposal to increase passenger fares and express rates would call for Intercity Passenger Revenue in column (c-1), and Express Revenue in column (c-2). If a third basic service is included in the proposed increase, column (c-3) should show revenue from that traffic with an appropriate identification in this column heading.

Column (d). The total issue traffic revenues in this column should equal the sum of columns (c-1), (c-2), etc.

Column (e). The revenues to be reported in this column shall consist of those revenues other than "total issue traffic revenue" (Column (d)), and "miscellaneous station and other operating revenues" (Column (f)). Thus, "non-issue traffic revenue" means those revenues accruing from providing the types of services indicated in columns (c-1), etc., but which may be "intrastate" in nature, are "exempt" as provided under 49 U.S.C. 10721, 10722, 10723 and 10724, or which are otherwise not at issue in a proposed fare and/or charge increase. Such non-issue traffic may also include a commuter or mass transportation service, which is the transportation of passengers generally performed within a city or town and the suburban areas contiguous thereto. However, in some instances this service may also be intercity in character where the cities involved are within relatively short distances of each other and the primary purpose is the mass transportation of commuter passengers to and from these cities.

Column (f). For the purpose of this schedule the revenues to be reported in this column shall consist of those in Account 3600, Miscellaneous Station Revenue, and in Account 3900, Other Operating Revenue. (See 49 CFR Part 1206.)

Presentation of statement on revenue sample studies. Historically, in order to separate interstate from intrastate revenues, it has not been necessary for annual report purposes for each carrier to conduct studies of its traffic operations, whether based upon sampling or otherwise, however, many of the Class I carriers make such studies for managerial purposes. In order to permit the evaluation of such studies, and the evidence derived therefrom, each study carrier, as defined in section 1139.21, shall submit an affidavit explaining how its study was conducted and how it appraises the reliability of the results. Carriers having studies based upon sampling should conform with the staff report entitled "Guidelines for the Presentation of the Results of Sample Studies," February 1, 1971.

[42 FR 32541, June 27, 1977. Redesignated and amended at 47 FR 49577, Nov. 1, 1982; 64 FR 53268, Oct. 1, 1999]

SCHEDULE C TO SUBPART B OF PART 1139

Attachment 1
SCHEDULE C

PART I—CONDENSED INCOME STATEMENT

[Dollars in thousands]

() Greyhound Lines, Inc. () Trailways combined () All study carriers

Line No. and Item (a)	Source A.R. schedule 250(b)	Base year-actual (c)	Pro forma year				
			Current revenue and projected expense (d)	Proposed revenue and projected expense (e)	Proposed revenue and future expense (f)	Constructed revenue need projected expense (g)	Constructed revenue need future expense (h)
1. Passenger revenue	L. 1 .....	.....	.....	.....	.....	.....	.....
2. Special bus revenue	L. 2 .....	.....	.....	.....	.....	.....	.....
3. Baggage revenue	L. 3 .....	.....	.....	.....	.....	.....	.....
4. Mail revenue	L. 4 .....	.....	.....	.....	.....	.....	.....
5. Express revenue	L. 5 .....	.....	.....	.....	.....	.....	.....
6. Newspaper revenue	L. 6 .....	.....	.....	.....	.....	.....	.....
7. Miscellaneous station revenue	L. 7 .....	.....	.....	.....	.....	.....	.....
8. Other operating revenue	L. 8 .....	.....	.....	.....	.....	.....	.....
9. Total revenues	L. 12 .....	.....	.....	.....	.....	.....	.....
10. Total expenses	L. 18 .....	.....	.....	.....	.....	.....	.....
11. Net operating revenue	L. 19 .....	.....	.....	.....	.....	.....	.....
12. Rent for lease of carrier property-debt	L. 20 .....	.....	.....	.....	.....	.....	.....
13. Income from lease of carrier property-credit	L. 21 .....	.....	.....	.....	.....	.....	.....
14. Net carrier operating income	L. 22 .....	.....	.....	.....	.....	.....	.....
15. Total other income	L. 33 .....	.....	.....	.....	.....	.....	.....
16. Gross income	L. 34 .....	.....	.....	.....	.....	.....	.....
17. Interest and amortization of debt discount expenses and premium.	Sums of lines 35, 38, and 39.	.....	.....	.....	.....	.....	.....
18. Total income deductions	L. 42 .....	.....	.....	.....	.....	.....	.....
19. Income (loss) from continuing operations before income taxes.	L. 43 .....	.....	.....	.....	.....	.....	.....
20. Income taxes on income from continuing operations.	L. 44 .....	.....	.....	.....	.....	.....	.....
21. Provision for deferred taxes	L. 45 .....	.....	.....	.....	.....	.....	.....
22. Income (loss) from continuing operations	L. 46 .....	.....	.....	.....	.....	.....	.....
23. Total income (loss) from discontinued operations.	L. 49 .....	.....	.....	.....	.....	.....	.....
24. Total extraordinary items and accounting changes (debit) credit.	L. 56
25. Net income (loss) transferred to retained income-unappropriated.	L. 57

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PART II—SYSTEM OPERATING EXPENSES AND SUM OF MONEY ASSIGNED TO TRANSPORTATION SERVICE
[Dollars in thousands]

Line No. and Item (a)	Source (b)	Base year-actual (c)	Pro-forma year				
			Current revenue and projected expense (d)	Proposed revenue and projected expense (e)	Proposed revenue and future expense (f)	Constructed revenue need projected expense (g)	Constructed revenue need future expense (h)
1. Operating expenses "Sum of money" items ...	Pt. I, L. 10 .....	.....	.....	.....	.....	.....	.....
2. Rent for, and from, lease of carrier property (net).	Pt. I, net of ls. 12 and 13 .....	.....	.....	.....	.....	.....	.....
3. Interest and amortization of debt discount and expense and premium on debt.	Pt. I, L. 17 .....	.....	.....	.....	.....	.....	.....
4. Percent of carrier operating property to total tangible property.	A. R. Sch. 200 col. (b) (ls. 19 and 21)-(L. 26) (2 dec.) .....	.....	.....	.....	.....	.....	.....
5. Interest and related expenses assigned to transportation service.	L. 3xl, 4, above .....	.....	.....	.....	.....	.....	.....
6. Taxable income assigned to transportation service.	(Pt. I, L. 14) minus (pt. II, L. 5) .....	.....	.....	.....	.....	.....	.....
7. Taxable income from continuing operations ...	Pt. I, L. 19 .....	.....	.....	.....	.....	.....	.....
8. Percent of taxable income assigned to transportation service to taxable income from continuing operations.	L. 6÷ L. 7, above (2 dec.) .....	.....	.....	.....	.....	.....	.....
9. Total income taxes	Pt. I, L. 20 .....	.....	.....	.....	.....	.....	.....
10. Income taxes assigned to transportation service.	L. 8xL. 9, above .....	.....	.....	.....	.....	.....	.....
11. Income (loss) assigned to transportation service.	L. 6 minus L. 10 above .....	.....	.....	.....	.....	.....	.....
12. Total "sum of money" items assigned to transportation service.	Ls. 2, 5, 10 and 11 .....	.....	.....	.....	.....	.....	.....
13. Operating expenses and "sum of money" assigned to transportation service.	Ls. 1 and 12, above .....	.....	.....	.....	.....	.....	.....
14. Ratio of income (loss) assigned to transportation to income (loss) from continuing operations (1 det.).	Pt. II, L. 11÷ Pt. I, L. 22 .....	.....	.....	.....	.....	.....	.....

PART III—ALLOCATION OF INCREASED SYSTEM OPERATING EXPENSES AND SUM OF MONEY TO TRAFFIC AT ISSUE
[Dollars in thousands]

Line No. and Item (a)	Source (b)	Base year-actual (c)	Pro-forma year				
			Current revenue and projected expense (d)	Proposed revenue and projected expense (e)	Proposed revenue and future expense (f)	Constructed revenue need projected expense (g)	Constructed revenue need future expense (h)
A.—Revenue distribution							
1. Revenues applicable to traffic at issue	From revenue study .....	.....	.....	.....	.....	.....	.....

2. System operating revenues, less miscellaneous station revenues (3600) and other operating revenues (2900).	Sch. C, pt. I, L. 9+ Ls. 7 and 8	.....	.....	.....	.....	.....	.....
3. Percent of total issue traffic revenues to L. 2 revenues.	L. 1+ L. 2 (percent to 2 dec.) ..	.....	.....	.....	.....	.....	.....
B.—Allocation to traffic at issue							
4. Increased system operating expenses	Pt. II, line 1 .....	.....	.....	.....	.....	.....	.....
5. Increased system "sum of money"	Pt. II, line 12 .....	.....	.....	.....	.....	.....	.....
6. Total increased system operating expenses and "sum of money"	L. 4+ L. 5, above .....	.....	.....	.....	.....	.....	.....
7. Allocation of line 6 to traffic at issue	L. 3×L. 6 above .....	.....	.....	.....	.....	.....	.....
8. Increased revenues on traffic at issue	L. 1, above .....	.....	.....	.....	.....	.....	.....
9. Ratio of increased revenues to increased costs on traffic at issue.	L. 8÷ L. 7, above (2 dec.) .....	.....	.....	.....	.....	.....	.....

EXPLANATORY—SCHEDULE C (PARTS I, II, AND III)

Columns (d) through (h). These columns shall contain the pro forma year data.

The data reported in column (d) shall be the base year actual (column (c)) restated to reflect conditions (wage, price, and productivity, etc.) prevailing on or near the effective date of the proposed increase. Revenues in column (d) shall be based on fares and charges which are currently in effect.

The data reported in column (e) shall also be the base year actual (column (c)) restated to reflect conditions (wage, price, and productivity, etc.) prevailing on or near the effective date of the proposed increase. Unlike column (d), however, revenues in column (e) shall be based on the proposed fares and charges.

The data reported in column (f) shall also be the base year actual (column (c)) restated to reflect conditions (wage, price, and productivity, etc.) prevailing on or near the effective date of the proposed increase plus al-

lowable foreseeable future costs. Revenues shall be based on the proposed fares and charges.

The data reported in columns (g) and (h) shall be based on what the system revenue needs of the study carriers should be at a given time, including the constructed projected and future operating expenses and the constructed "sum of money" above these expenses. The constructed "sum of money" should be supported by evidence that it is a just and reasonable amount and is that needed to attract debt and equity capital and to insure financial stability and the capacity to render service. Such evidence should include an analysis of the adequacy of the carriers' earnings, the carriers' cost of debt and equity capital, the various kinds of risk attending their operations and the financing thereof, and the carriers' ongoing needs for working capital, new equipment and facilities.

[47 FR 53281, Nov. 24, 1982]

SCHEDULE D TO SUBPART B OF PART 1139

[Dollars in thousands]

() Greyhound Lines, Inc. () Trailways combined () All study carriers

Line No. and Item (a)	Source (b)	Calendar year 19__ (c)	Calendar year 19__ (d)	Base year actual (e)
PART I.—Selected financial data				
Income statement data:				
1 Total revenues	Sch. 2998, L. 9			
2 Total expenses	Sch. 2998, L. 15			
3 Depreciation expense and amortization of carrier operating property.	Sch. 2998, L. 11 + L. 12			
4 Lease of carrier property (net)	Sch. 2998, L. 17 + L. 18			
5 Net carrier operating income	Sch. 2998, L. 19			
6 Equity in earnings (losses) of associated companies.	Sch. 2998, L. 29			
7 Interest on long-term obligations	Sch. 2998, L. 32			
8 Amortization of debt discount and expense and premium on debt (net).	Sch. 2998, L. 35 + L. 36			
9 Pretax income (loss)	Sch. 2998, L. 40			
10 Tax on income from continuing operations	Sch. 2998, L. 41			
11 Provision for deferred taxes	Sch. 2998, L. 42			
12 Income (loss) from continuing operations	Sch. 2998, L. 43			
13 Total income (loss) from discontinued operations.	Sch. 2998, L. 46			
14 Total extraordinary items and accounting changes—(debit) credit.	Sch. 2998, L. 53			
15 Net income (loss)	Sch. 2998, L. 54			
Balance sheet data:				
16 Current assets	Sch. 100, L. 17, col. (b)			
17 Current liabilities	Sch. 101, L. 14, col. (b)			
18 Current assets ¹	Sch. 100, L. 17			
19 Current liabilities ¹	Sch. 101, L. 14			
20 Long-term debt due within 1 yr	Sch. 101, L. 15, col. (b)			
21 Long-term debt due after 1 yr	Sch. 101, L. 24, col. (b)			
22 Long-term debt due within 1 yr ¹	Sch. 101, L. 15			
23 Long-term debt due after 1 yr ¹	Sch. 101, L. 24			
24 Owners' equity	Sch. 101, L. 38 + L. 41 + L. 44—L. 45, col. (b).			
25 Owners' equity ¹	Sch. 101, L. 38 + L. 41 + L. 44—L. 45.			
26 Total intangible property ¹	Sch. 100, L. 31			

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[Dollars in thousands]

() Greyhound Lines, Inc. () Trailways combined () All study carriers

Line No. and Item (a)	Source (b)	Calendar year 19__ (c)	Calendar year 19__ (d)	Base year actual (e)
27 Net carrier operating property (owned plus leased to others) ¹ .	Sch. 100, L. 19 + L. 21 .....	.....	.....	.....
28 Investment in owned and leased property plus working capital.	L. 27 + L. 18—L. 19 .....	.....	.....	.....
Miscellaneous and financial ratios:				
29 Cash dividend appropriations	Sch. 2930, L. 16 .....	.....	.....	.....
30 Operating ratio (percent)	L. 2 ÷ L. 1 .....	.....	.....	.....
31 Current ratio	L. 16 ÷ L. 17 .....	.....	.....	.....
32 Dividend payout ratio (percent)	L. 29 ÷ L. 15 .....	.....	.....	.....
33 Throwoff to debt ratio (percent)	(L. 3 + L. 15) ÷ (L. 20 + L. 21) .....	.....	.....	.....
34 Capital structure ratio (percent)	(L. 20 + L. 21) ÷ (L. 20 + L. 21 + L. 24) .....	.....	.....	.....
35 Working capital	L. 18—L. 19 .....	.....	.....	.....
36 Rate of return on owned and leased operating property plus working capital (percent).	L. 5 ÷ L. 28 .....	.....	.....	.....
37 Rate of return on owners' equity, less intangibles (percent).	L. 15 ÷ (L. 25—L. 26) .....	.....	.....	.....
38 Rate of return on total capitalization (percent)	(L. 7 + L. 8 + L. 15) ÷ (L. 22 + L. 23 + L. 25) .....	.....	.....	.....

PART II. Accounts giving effect to interperiod tax allocation (deferred taxes) and impact of investment tax credit

Balance sheets accounts:				
1 Deferred income tax charges	Sch. 100, L. 16, col. (b) .....	.....	.....	.....
2 Accumulated deferred income tax charges	Sch. 100, L. 44, col. (b) .....	.....	.....	.....
3 Deferred income tax credits	Sch. 101, L. 13, col. (b) .....	.....	.....	.....
4 Accumulated deferred income tax credits	Sch. 101, L. 27, col. (b) .....	.....	.....	.....
Income statement accounts:				
5 Provision for deferred taxes	Sch. 2998, L. 42 .....	.....	.....	.....
6 Provision for deferred taxes—Extraordinary items.	Sch. 2998, L. 50 .....	.....	.....	.....
7 Impact of investment tax credit on continuing operations.	See explanatory .....	.....	.....	.....

¹ Show average of beginning and end-of-year figures.

EXPLANATORY—SCHEDULE D (PART I)

Purpose. The purpose of Schedule D (Part I) is to ascertain the financial posture of Greyhound Lines, Inc. and all the study carrier carriers by an analysis of certain key financial data, with a view to determining revenue needs.

Study Carrier Groupings. Schedule D (Part I) shall be prepared on the following two bases:

1. Greyhound Lines, Inc.
2. Trailways Combined (study carriers, only)
3. All Study Carriers

Column (b). The annual report sources in this column refer to the 1976 Annual Report Form MP-1. For years prior or subsequent to 1976, use comparable sources.

Column (c). If the fare/charge increase is filed during the first six months of the calendar year, the data reported in column (c) shall be based on the 3rd calendar year preceding the filing year. For example, if the rate increase is filed on May 15, 1977, column (c) shall report data for calendar year 1974.

If the fare/charge increase is filed during the last six months of the calendar year, the

data reported in column (c) shall be based on the 2nd calendar year preceding the filing year. For example, if the rate increase is filed on Nov. 15, 1977, column (c) should report data for calendar year 1975.

Column (d). If the fare/charge increase is filed during the first six months of the calendar year, the data reported in column (d) should be based on the 2nd calendar year preceding the filing year. For example, if the rate increase is filed on May 15, 1977, column (d) should report data for calendar year 1975.

If the rate increase is filed during the last six months of the calendar year, the data reported in column (d) shall be based on the 1st calendar year preceding the filing year. If, for example, the fare/charge increase is filed on November 15, 1977, column (d) should report data for calendar year 1976.

Column (e). Data to be reported in this column for the base year actual shall be based on the 4-quarter calendar year periods identified below:

Filing month of verified statement	Four-quarter calendar year period ending
January	Sept. 30, preceding year.
February	Do.
March	Do.
April	Dec. 31, preceding year.
May	Do.
June	Do.
July	Mar. 31, filing-month year.
August	Do.
September ..	Do.
October	June 30, filing-month year.
November ...	Do.
December ...	Do.

The 4-quarter calendar year periods identified above represent the minimum requirement. However, in event a proposed fare/charge increase is filed at a time when data for a more current quarter than that specified are obtainable, the more current quarter may be used in the base year-actual. For example, if an increase is filed in late March and data for the 4th quarter of the preceding year is obtainable, the base year-actual ending December 31, may be used in lieu of the base year-actual ending September 30.

EXPLANATORY—SCHEDULE D (PART II)

Purpose. Schedule D (Part II) is designed to segregate the impacts of: (1) The Board's deferred tax accounting rule change; and (2) the impact of the investment tax credit on continuing operations.

Study Carrier Groupings. The study carrier groups for Part II shall be the same as those designated for Part I.

Column (b). The annual report sources in this column refer to the 1976 Annual Report Form MP-1. For years prior or subsequent to 1976, use comparable sources.

Columns (c), (d) and (e). The reporting periods for Part II shall correspond to those in Part I.

Investment Tax Credit Impact. This impact is: (1) The amount by which Account 8000, Income Taxes on Income from Continuing Operations, was credited for the investment tax credit if the flow-through accounting method was elected or (2) the amount by which Account 8040, Provision for Deferred Taxes, was credited for the amortization of the investment tax credit if the deferral accounting method was elected.

[42 FR 32541, June 27, 1977; 42 FR 40861, Aug. 12, 1977. Redesignated at 47 FR 49577, Nov. 1, 1982]

SCHEDULE E TO SUBPART B OF PART 1139—STATEMENT OF CHANGES IN FINANCIAL POSITION

[Dollars in thousands]

() Greyhound Lines, Inc. () Trailways combined () All study carriers

Line No. and item (a)	Source (b)	Calendar year 19 (c)	Calendar year 19 (d)	Base year-actual (e)
SOURCES OF WORKING CAPITAL				
Working capital provided by operations:				
1 Net income (loss) before extraordinary items	Sch. 2998, L. 47, col. (b) .....	.....	.....	.....
Add expenses not requiring outlay of working capital (subtract) credits not generating working capital:				
2 Loss (gain) on sale or disposal of tangible property.	Sch. 5091, L. 7, col. (b) .....	.....	.....	.....
3 Add depreciation and amortization expense	Sch. 2998, Ls. 11+12+35+36, col. (b).	.....	.....	.....
4 Net increase (decrease) in deferred income taxes.	Sch. 2998, L. 42, col. (b) .....	.....	.....	.....
5 Net decrease (increase) in parent's share of subsidiary's undistributed income for the year.	Sch. 2998, L. 28 .....	.....	.....	.....
6 Net increase (decrease) in noncurrent portion of estimated liabilities.	Sch. 101, L. 31, cols. (b)-(c) .....	.....	.....	.....
7 Other (specify):				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18 Total working capital from operations before extraordinary items.				
19 Extraordinary items and accounting changes ..	Sch. 2998, L. 53, col. (b)

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[Dollars in thousands]

() Greyhound Lines, Inc. () Trailways combined () All study carriers

Line No. and item (a)	Source (b)	Calendar year 19__ (c)	Calendar year 19__ (d)	Base year-actual (e)
Add expenses not requiring outlay of working capital (subtract) credits not generating working capital.				
20 Loss (gain) on extraordinary items	Sch. 2998, L. 48, col. (b)			
21 Net increase (decrease) in deferred income taxes.	Sch. 2998, L. 50, col (b)			
22 Cumulative effect of changes in accounting principles.	Sch. 2998, L. 52, col. (b)			
Other (specify):				
23				
24				
25				
26				
27				
28 Total working capital from extraordinary items and accounting changes.				
29 Total working capital from operations (lines 18 and 28).				
Working capital from sources other than operating:				
30 Proceeds from issuance of long-term liabilities				
31 Proceeds from sale/disposition of carrier operating property.	Sch. 1200-A, L. 9			
32 Proceeds from sale/disposition of other tangible property.				
33 Proceeds from sale/repayment of investments advances.	Sch. 1600/1650, ls. 23+47			
34 Net decrease in sinking and other special funds.	Sch. 1700, ls. 15+31+50, cols. (d)-(j).			
35 Proceeds from issue of capital stock	Sch. 2700A/2710A, L. 12, cols. (e)+(f)-(i).			
Other (specify):				
36				
37				
38				
39				
40				
41 Total working capital from sources other than operating.				
42 Total sources of working capital (lines 29 and 41).				
APPLICATION OF WORKING CAPITAL				
43 Amount paid to acquire/retire long-term liabilities.				
44 Cash dividends	Sch. 2930, L. 16			
45 Purchase price of carrier operating property ...	Sch. 1200, L. 11, col. (c)			
46 Purchase price of other tangible property				
47 Purchase price of long-term investments and advances.	Sch. 1600/1650, ls. 23+47, col. (e).			
48 Net increase in sinking or other special funds	Sch. 1700, ls. 15+31+50, cols. (j)-(d).			
49 Purchase price of acquiring treasury stock	Sch. 2700B/2710B, L. 12, col. (c).			
Other (specify):				
50				
51				
52				
53				
54				
55 Total application of working capital				
56 Net increase (decrease) in working capital (line 42 less line 55).				

EXPLANATORY—SCHEDULE E

Purpose. Schedule E is designed to provide the Board with an indication of the carrier's

sources and uses of funds over the recent past.

Study Carrier Groupings. Schedule E shall be prepared on the following two bases:

1. Greyhound Lines, Inc.
2. Trailways Combined (study carriers, only)

3. All Study Carriers
 "Funds". The term "Funds" for the purpose of this schedule shall include all assets or financial resources even though a transaction may not directly affect cash or working capital. For example, the purchase of property in exchange for bonds or shares of stock would be an application of funds for investment in property provided by the issue of securities.

Sources and uses of funds should be individually disclosed. For example, outlays for fixed assets should not be reported net of retirements.

Column (b). The annual report sources in this column refer to the 1976 Annual Report Form MP-1. For years prior or subsequent to 1976, use comparable sources.

Column (c). If the fare/charge increase is filed during the first six months of the calendar year, the data reported in column (c) shall be based on the 3rd calendar year preceding the filing year. For example, if the rate increase is filed on May 15, 1977, column (c) shall report data for calendar year 1974.

If the fare/charge increase is filed during the last six months of the calendar year, the data reported in column (c) shall be based on the 2nd calendar year preceding the filing year. For example, if the rate increase is filed on Nov. 15, 1977, column (c) should report data for calendar year 1975.

Column (d). If the fare/charge increase is filed during the first six months of the calendar year, the data reported in column (d) should be based on the 2nd calendar year preceding the filing year. For example, if the rate increase is filed on May 15, 1977, column (d) should report data for calendar year 1975.

If the rate increase is filed during the last six months of the calendar year, the data re-

ported in column (d) shall be based on the 1st calendar year preceding the filing year. If, for example, the fare/charge increase is filed on November 15, 1977, column (d) should report data for calendar year 1976.

Column (e). Data to be reported in this column for the base year-actual shall be based on the 4-quarter calendar year periods identified below:

Filing month of verified statement	Four-quarter calendar year period ending
January	Sept. 30, preceding year.
February	Do.
March	Do.
April	Dec. 31, preceding year.
May	Do.
June	Do.
July	Mar. 31, filing-month year.
August	Do.
September ..	Do.
October	June 30, filing-month year.
November ...	Do.
December ...	Do.

The 4-quarter calendar year periods identified above represent the minimum requirement. However, in event a proposed fare/charge increase is filed at a time when data for a more current quarter than that specified are obtainable, the more current quarter may be used in the base year-actual. For example, if an increase is filed in late March and data for the 4th quarter of the preceding year is obtainable, the base year-actual ending December 31, may be used in lieu of the base year-actual ending September 30.

[42 FR 32541, June 27, 1977; 42 FR 40861, Aug. 12, 1977. Redesignated at 47 FR 49577, Nov. 1, 1982]

SCHEDULE F TO SUBPART B OF PART 1139—AFFILIATE REVENUE DATA FOR SERVICES RENDERED

[Dollars in thousands]

() Greyhound Lines, Inc. () Trailways combined () All study carriers

Line No. and Item (a)	Calendar year 19 (b)	Calendar year 19 (c)	Base year-actual (d)
affiliate revenues for services rendered to respondents			
1 Engineering
2 Management
3 Legal
4 Accounting
5 Financial
6 Furnishing of materials and supplies
7 Leasing of land, structures, and vehicles
8 Purchase of equipment
9 Construction
10 All other services
11 Total affiliate revenues for services rendered to respondent (lines 1 through 10)
12 Total affiliate revenues for services rendered to other than respondents
13 Total affiliate revenues (lines 11 and 12)

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[Dollars in thousands]

() Greyhound Lines, Inc. () Trailways combined () All study carriers

Line No. and Item (a)	Calendar year 19__ (b)	Calendar year 19__ (c)	Base year-actual (d)
14 Total affiliate income from operations before income taxes

EXPLANATORY—SCHEDULE F

Purpose. Schedule F is designed to facilitate an assessment of the effect on the carriers' profits of transactions with affiliates.

Affiliate transactions aggregating less than \$30,000 need not be reported in this Schedule.

Study Carrier Groupings. A separate Schedule F shall be prepared for each of the following:

1. Greyhound Lines, Inc.
2. Trailways Combined (study carriers, only)
3. All Study Carriers

Column (b). If the fare/charge increase is filed during the first six months of the calendar year, the data reported in column (b) shall be based on the 3rd calendar year preceding the filing year. If the fare/charge increase is filed during the last six months of the calendar year, the data reported in column (b) shall be based on the 2nd calendar year preceding the filing year.

Column (c). If the fare/charge increase is filed during the first six months of the calendar year, the data reported in column (c) shall be based on the 2nd calendar year preceding the filing year. If the fare/charge increase is filed during the last six months of the calendar year, the data reported in column (c) shall be based on the 1st calendar year preceding the filing year.

Column (d). Data to be reported in this column for the base year-actual shall be based on the 4-quarter calendar year periods identified below:

Filing month of verified statement	Four-quarter calendar year period ending
January	Sept. 30, preceding year.
February	Do.
March	Do.
April	Dec. 31, preceding year.
May	Do.
June	Do.
July	Mar. 31, filing-month year
August	Do.
September ..	Do.
October	June 30, filing-month year.
November ...	Do.
December ...	Do.

The 4-quarter calendar year periods identified above represent the minimum requirement. However, in event a proposed fare/charge increase is filed at a time when data for a more current quarter than that specified are obtainable, the more current may be used in the base year-actual. For example, if an increase is filed in late March and data for the 4th quarter of the preceding year is obtainable then the base year-actual ending December 31, may be used in lieu of the base year-actual ending September 30.

SCHEDULE G TO SUBPART B OF PART 1139—SELECTED STATISTICAL DATA

[Dollars in thousands]

() Greyhound Lines, Inc. () Trailways combined () All study carriers

Line No. and Item (a)	Source (b)	1972 (c)	1973 (d)	1974 (e)	1975 (f)	1976 (g)	Cols. (h)-(l) (1977)-(1981) (h)
Operating revenues, expenses, and operating ratios:							
1 Passenger revenue	Sch. 2998, L. 1, col. (b)	.....	.....	.....	.....	.....	.....
2 Special bus revenue	Sch. 2998, L. 2, col. (b)	.....	.....	.....	.....	.....	.....
3 Express revenue	Sch. 2998, L. 5, col. (b)	.....	.....	.....	.....	.....	.....
4 Total operating revenues	Sch. 2998, L. 9, col. (b)	.....	.....	.....	.....	.....	.....
5 Total operating expenses	Sch. 2998, L. 15, col. (b).	.....	.....	.....	.....	.....	.....
6 Operating ratio	Line 5÷line 4 .....	.....	.....	.....	.....	.....	.....
Carrier operating property:							
7 Structures	Sch. 1200, L. 2, col. (c)	.....	.....	.....	.....	.....	.....
8 Revenue equipment	Sch. 1200, L. 3, col. (c)	.....	.....	.....	.....	.....	.....
9 Improvements of leasehold property.	Sch. 1200, L. 8, col. (c)	.....	.....	.....	.....	.....	.....
10 Total carrier operating property ..	Sch. 1200, L. 11, col. (c).	.....	.....	.....	.....	.....	.....

[Dollars in thousands]

() Greyhound Lines, Inc. () Trailways combined () All study carriers

Line No. and Item (a)	Source (b)	1972 (c)	1973 (d)	1974 (e)	1975 (f)	1976 (g)	Cols. (h)-(l) (1977)- (1981) (h)
Number and cost of buses:							
11 Number of buses acquired	Sch. 1221, L. 22, col. (c).	.....	.....	.....	.....	.....	.....
12 Cost of buses acquired	Sch. 1221, L. 22, col. (d).	.....	.....	.....	.....	.....	.....
13 Number of buses retired	Sch. 1221, L. 22, col. (e).	.....	.....	.....	.....	.....	.....
14 Cost of buses retired	Sch. 1221, L. 22, col. (f)	.....	.....	.....	.....	.....	.....
15 Average age of buses ¹	Sch. 1221, L. 22, col. (f)	.....	.....	.....	.....	.....	.....
Employee compensation:							
16 Total daily basis	Sch. 9002, L. 20, col. (c).	.....	.....	.....	.....	.....	.....
17 Total hourly basis	Sch. 9002, L. 21, col. (c).	.....	.....	.....	.....	.....	.....
Man-hours or days paid for:							
18 Total—Daily basis	Sch. 9002, L. 20, col. (e).	.....	.....	.....	.....	.....	.....
19 Total—Hourly basis	Sch. 9002, L. 21, col. (e).	.....	.....	.....	.....	.....	.....
Revenue bus-miles operated:							
20 Intercity service (regular route)	Sch. 9002, L. 1, col. (e)	.....	.....	.....	.....	.....	.....
21 Charter, sightseeing and other special service.	Sch. 9002, L. 3, col. (e)	.....	.....	.....	.....	.....	.....
22 Vehicle miles operated exclusively in baggage, mail express, and/or newspaper service.	Sch. 9002, L. 4, col. (e)	.....	.....	.....	.....	.....	.....
Revenue passengers carried:							
23 Number of intercity revenue passengers carried (regular route).	Sch. 9002, L. 6, col. (b)	.....	.....	.....	.....	.....	.....
24 Total number of revenue passengers carried.	Sch. 9002, L. 9, col. (b)	.....	.....	.....	.....	.....	.....
Other Statistics:							
25 Number of regulator route intercity passenger miles.	Sch. 9002, L. 12, col. (b).	.....	.....	.....	.....	.....	.....
26 Total passenger revenue	Sch. 9002, L. 16, col. (b).	.....	.....	.....	.....	.....	.....
27 Passenger-miles per bus mile (average load).	25+L. 20 .....	.....	.....	.....	.....	.....	.....
28 Passenger-miles per passenger carried-intercity service (average journey).	25+L. 23 .....	.....	.....	.....	.....	.....	.....

¹ Line No. 15: The weighted average age of buses for "All Study Carriers" is computed by:
 (a) Calculating the average age of buses for each study carrier.
 (b) Calculating the number of buses which each study carrier has on hand at the end of the year as a percentage of the total number of buses which all study carriers as a group have on hand at the end of the year.
 (c) Multiplying the average age for each study carrier by that carrier's percentage of total buses on hand at the end of the year.
 (d) Summing the result of calculation (c) above for each study carrier. The summation gives the weighted average age of buses for "All Study Carriers" taken together as a group.

EXPLANATORY—SCHEDULE G

Purpose. The purpose of Schedule G is to develop selected property, labor and operational data for use in evaluating the influence and relationship of these data to the income and other financial data contained in Schedules C through F. This schedule requires data commencing with the year 1972 through 1976, and thereafter, adding each calendar year's data until a 10-year moving period is reached. A ten-year time period is useful for analyzing the industry's oper-

ations during all phases of the business cycle.

Study Carrier Groupings. Schedule G shall be prepared for each of the following:

1. Greyhound Lines, Inc.
2. Trailways Combined (study carriers, only).
3. All Study Carriers.

Column (b). The annual report sources in this column refer to the 1976 Annual Report Form MP-1. For years prior or subsequent to 1976, use comparable sources.

Columns (c) through (g). These columns refer to successive calendar years from 1972 through 1976, each ending December 31.

Columns (h) to (l). These columns refer to successive calendar years which become applicable as the time period of record is expanded to the ultimate 10 year moving time period.

APPENDIX I TO SUBPART B OF PART 1139

Excerpt from National Bus Traffic Association's brief (pages 18-23) in I&S M-29089 increased bus passenger fares and express/rates-nationwide.

NBTA WILL UNDERTAKE THE DEVELOPMENT OF A COST ALLOCATION SYSTEM FOR MOTOR CARRIERS OF PASSENGERS

At the conclusion of the hearing in this proceeding, the Administrative Law Judge requested a discussion of the feasibility of NBTA undertaking the traffic and cost studies necessary to permit the separation of bus carrier expenses by types of service. As the record in this case indicates, no such studies have ever been undertaken and there is no present capability on the part of either the Board or the carriers themselves to allocate total operating expenses by types of carrier service. As the testimony of Mr. Bilz reveals, data derived from traffic studies is the source of only a few of the factors which must be developed to permit the identification of cost.¹⁸ Consequently, the development of a carefully conceived overall cost allocation system must be accomplished first, and then a determination must be made of the types and kinds of studies needed to develop the specific factors required for implementation to the system.

At its annual meeting held in Newton, Massachusetts, on September 27-28, 1976, the members of the National Bus Traffic Association considered the question of undertaking the analyses, planning, and studies leading to the development and implementation of a cost allocation system and agreed to undertake such a program. Mr. Bilz, the cost analyst retained by the Association, has been request to work with appropriate carrier personnel and an initial meeting to outline the first steps is scheduled to be held during November of this year. In the meantime, after consultation with Mr. Bilz, we set forth the following discussion of what will be involved.

In assessing the problems and complexities involved in formulating a procedure to develop costs by types of service for the bus lines, some parallels may be drawn with the procedure which has evolved over the years for general commodity motor carriers. Cost formulas for general commodity carriers

were developed by the Cost Finding Section of the Interstate Commerce Commission more than thirty years ago. These cost formulas have been modified and refined from time-to-time in order to adjust for changing operating practices and conditions, improvements in accounting technology or the need to develop costs for particular kinds of service or types of traffic. At a later point in time when the need arose in general revenue increase cases for more detailed separations of the expenses of the general commodity carriers among types of service and types of traffic, procedures were developed whereby a continuing sample of traffic data could be developed to tie in with unit costs produced by the motor carrier cost formulas.¹⁹ Thus, the detailed separation of traffic data developed in the continuing traffic studies was designed to tie in with existing cost allocation formulas. More recently, a complete revision of the Uniform System of Accounts for general commodity motor carriers necessitated further modification of the cost formulas; however, at the same time, such revisions served to increase the amount of expenses allocated in the formulas on a direct basis and reduced the amount of expenses which could only be allocated by means of factors derived from special studies or other means.

At the present time, the bus industry has committed itself to a review of its Uniform System of Accounts, jointly with the Bureau of Accounts of the Interstate Commerce Commission, to determine the need for revising the accounts to conform more closely with generally accepted accounting principles and, most importantly, to facilitate cost finding and financial analysis. In the review and analysis of the Uniform System of Accounts, consideration should be given to possible benefits from a matrix approach in accumulating operating expenses, similar in some respects but not necessarily as detailed as the approach used in redesigning the system of accounts for general commodity carriers. The separations of expenses for bus lines need not be as detailed as those made for general commodity carriers since the needs for expense segregations are not the same. However, use of a matrix system by the bus lines to accumulate operating expenses would result in the direct assignment of various categories of expense which would otherwise be included in a common pool of expense to be allocated on the basis of the best available data. Therefore, as a necessary preliminary step toward the development of a cost allocation system for the bus lines,

¹⁹Probability sampling of general freight motor carrier traffic did not develop until some 20 years after the Board's cost formulas for truck lines.

¹⁸Tr. 183-186.

the Uniform System of Accounts must be examined for the purpose of identifying expenses which can be directly assigned to particular services or operations.

Basically, a cost study for the bus lines involves, first, a determination of the expenses chargeable to each of the various services provided by the carriers. These services include regular route intercity service, involving transportation of passengers, express, baggage, newspapers and mail, local service and special services including charter operations and tours. Secondly, the need for further separations within these categories must be explored. An all-out study would involve the allocation of expenses for regular route service among passengers and their baggage, express traffic and all other traffic; however, such detailed separations—which can only be made by means of specially-designed allocating procedures and special studies—may not be necessary, at least in the initial design of a cost allocation system for the bus lines. From the standpoint of current and potential use to be made of cost study data, it is reasonable, at this point, to design a system which will separate expenses for regular route service involving passenger and express traffic (including baggage) on the one hand, and all other services on the other. Finally, an additional separation of the expenses for regular route service between interstate and intrastate traffic is necessary.

In connection with the first step, i.e., allocation of expenses among services, although a number of the various categories of expense incurred by the bus lines may be directly allocated to various services, there are additional items of expense which are jointly incurred in connection with two or more services and can only be separated among services on the basis of appropriate allocation factors. The same problems arise in the second and third steps, to an even greater extent, in determining the extent to which expenses assigned to a particular service must be allocated among the various types of traffic handled in that service and in making the further separation between interstate and intrastate traffic. These separations should be made by means of cost allocation factors which are functionally related to the fullest extent possible to each item of expense. This calls for the development of additional allocation factors which are not presently maintained by the bus lines.

At the present time, the carriers can accurately determine from their regularly maintained accounting records the amount of revenue accruing from regular route operations, separately for passenger and express service, and from operations in connection with charter and special service. By means of established probability sampling procedures, Greyhound and Continental Trailways can

further separate passenger revenue in intercity service between interstate and intrastate traffic. Other carriers are able to make the latter separation of revenue on various bases consistent with the size of their operations. It is possible that the probability sampling procedure and other bases employed by the smaller carriers may be expanded to include statistical data as well as revenue information. The bus lines currently maintain records, for the purpose of their annual reports to the Surface Transportation Board, of the number of bus miles operated separately for intercity service, local service and special services. Such data will undoubtedly come into use in allocating expenses among services. Similarly, records of the number of passengers carried in various services, maintained by the bus lines, may be used in some of the expense allocations. However, no continuing records are maintained showing the number of passengers carried separately in interstate and intrastate commerce nor are any separations made of the number of passenger miles in each category. Such statistical separations are required regardless of the methodology followed in the cost study, that is, whether the separations of expenses between interstate and intrastate traffic are made within the framework of a cost allocation formula or whether the expenses in each category are developed on the basis of average mileage-related and non-mileage unit costs developed from a cost formula and applied to traffic service units developed for interstate and intrastate traffic, i.e., number of passengers and number of passenger miles.

As noted above, expenses for each type of traffic must be separated between those which are related to mileage operated and those which are not related to mileage. This brings in the problem of segregating the terminal activities of the carriers among services and types of traffic. Segregation of such expenses will probably require time and motion analyses, calculation of space utilization factors at various representative terminals and other special studies.

The formulation of a cost allocation system and the gathering of input data for the system will require an extensive amount of work and expense on the part of the bus lines. If the amount of time required in developing acceptable cost allocation procedures for general freight motor carriers is any indication, several years may be required before a cost system for the bus lines can be formulated, applied and tested. The bus industry recognizes that, because of its workload and limited staff, the Cost Finding Section of the Board cannot take on the task of developing a cost allocation system for the bus lines as it did in connection with general freight motor carriers; however, it is hoped that the efforts of the bus lines in this

regard will receive the full support and guidance of the Board's staff so that the best possible results may be achieved in the shortest possible time.

H. G. HOMME,
Secretary.

[42 FR 32541, June 27, 1977. Redesignated at 47 FR 49571, Nov. 1, 1982 and amended at 64 FR 53268, Oct. 1, 1999]

PART 1141—PROCEDURES TO CALCULATE INTEREST RATES

AUTHORITY: 49 U.S.C. 721.

§ 1141.1 Procedures to calculate interest rates.

(a) For purposes of complying with a Board decision in a complaint or investigation proceeding, interest rates to be computed shall be the coupon equivalent yield (investment rate) of marketable securities of the United States Government having a duration of 91 days (3 months). The rate levels will be determined as follows:

(1) For investigation proceedings, the interest rate shall be the coupon equivalent yield in effect on the date the statement is filed accounting for all amounts received under the new rates (See 49 U.S.C. 10707(d)(1)).

(2) For complaint proceedings, the interest rate shall be the coupon equivalent yield in effect on the first day of the calendar quarter in which an unlawful charge is paid. The interest rate in complaint proceedings shall be updated as of the first day of all subsequent calendar quarters, at the coupon equivalent yields in effect on those days. Updating will continue until the required reparation payments are made.

(3) For purposes of this section, coupon equivalent yields shall be considered "in effect" on the date the securities are issued, not on the date they are auctioned. If the date the statement is filed (for investigation proceedings) or if the first day of the calendar quarter (for complaint proceedings) is the same as the issue date, then the yield on that date shall be used.

(b) Interest in a complaint or investigation proceeding shall be compounded quarterly, as follows:

(1) For investigation proceedings, the reparations period shall begin on the date the investigation is started. Thus, unless by coincidence, the quarterly compounding periods in investigation proceedings will not coincide with the calendar quarters.

(2) For complaint proceedings, the reparations period shall begin on the date the unlawful charge is paid. However, in order for the quarterly compounding periods in complaint cases to coincide with the calendar quarters (so that only one interest rate is in effect during each compounding period), the first compounding period shall run from the date the unlawful charge is paid to the last day of the current calendar quarter, and all subsequent compounding periods shall coincide with the calendar quarters.

(3) For both investigation and complaint proceedings, the annual effective interest rate shall be the same as the annual nominal (or stated) rate. Thus, the nominal rate must be factored exponentially to the power representing the portion of the year covered by the interest rate. A simple multiplication of the nominal rate by the portion of the year covered by the interest rate would not be appropriate because it would result in an effective rate in excess of the nominal rate. Under this "exponential" approach, the total cumulative reparations payment (including interest) is calculated by multiplying the interest factor for each quarterly period (or part thereof) by the principal amount for that period plus any accumulated interest from previous periods. The "interest factor" for each period is 1.0 plus the interest rate for that period to the power representing the portion of the year covered by the interest rate. As an example, if the annual interest rate for the quarter is 5.6 percent, then the interest factor would be 1.01368, or 1.056 to the power of 91/365.

[58 FR 19360, Apr. 14, 1993]

PART 1144—INTRAMODAL RAIL COMPETITION

- Sec.
- 1144.1 Negotiation.
- 1144.2 Prescription.
- 1144.3 General.